

AMENDED IN ASSEMBLY APRIL 27, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 945

Introduced by Assembly Member Ting

February 26, 2015

An act to add and repeal Section 6377 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL’S DIGEST

AB 945, as amended, Ting. Sales and use taxes: exemption: low-emission vehicles.

Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for the storage, use, or other consumption in this state, and provides various exemptions from those taxes.

~~The bill would, bill, on and after January 1, 2016, until January 1, 2020, would provide either a partial exemption or a partial exclusion~~ from those taxes with respect to the sale of specified low-emission vehicles, as provided.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing law authorizes districts, as specified, to impose transactions and use taxes in accordance with the Transactions and Use Tax Law, which conforms to the Sales and Use Tax Law. Amendments to state sales and use taxes are incorporated into these laws.

~~Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.~~

~~This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse any local agencies for sales and use tax revenues lost by them pursuant to this bill.~~

~~This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes.~~

~~This bill would take effect immediately as a tax levy.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 SECTION 1. Section 6377 is added to the Revenue and
2 Taxation Code, to read:

3 6377. (a) ~~There are exempted from the taxes imposed by this~~
4 ~~part the greater of either of the following:~~

5 (1) ~~The gross receipts from the sale of, and the storage and use~~
6 ~~of, or other consumption in this state of, any vehicle, as specified~~
7 ~~in paragraphs (1) or (3) of subdivision (a) of Section 5205.5 of the~~
8 ~~Vehicle Code, or any successor to those provisions, or advanced~~
9 ~~technology medium and heavy duty vehicles that are eligible for~~
10 ~~the California Hybrid and Zero-Emission Truck and Bus Voucher~~
11 ~~Incentive Project funded under the Air Quality Improvement~~
12 ~~Program at the State Air Resources Board or the Natural Gas and~~
13 ~~Propane Vehicle Buydown program funded by the Alternative and~~
14 ~~Renewable Fuel and Vehicle Technology Program at the California~~
15 ~~Energy Commission, which exemption shall not include any tax~~
16 ~~levied by a county, city, or district pursuant to, or in accordance~~
17 ~~with, either the Bradley-Burns Uniform Local Sales and Use Tax~~
18 ~~Law (Part 1.5 (commencing with Section 7200)) or the~~
19 ~~Transactions and Use Tax Law (Part 1.6 (commencing with Section~~
20 ~~7251)) of those laws.~~

21 (2) ~~The gross receipts measured by the value of a motor vehicle~~
22 ~~traded in for a vehicle described in paragraph (1) or (3) of~~
23 ~~subdivision (a) of Section 5205.5 of the Vehicle Code, or any~~
24 ~~successor to those provisions, or advanced technology medium~~
25 ~~and heavy duty vehicles that are eligible for the California Hybrid~~

1 ~~and Zero-Emission Truck and Bus Voucher Incentive Project~~
2 ~~funded under the Air Quality Improvement Program at the State~~
3 ~~Air Resources Board or the Natural Gas and Propane Vehicle~~
4 ~~Buydown program funded by the Alternative and Renewable Fuel~~
5 ~~and Vehicle Technology Program at the California Energy~~
6 ~~Commission, if the value of the trade-in motor vehicle is separately~~
7 ~~stated on the new motor vehicle invoice or bill of sale or similar~~
8 ~~document provided to the purchaser.~~

9 *(a) There are exempted from the taxes imposed by this part that*
10 *portion of the gross receipts from the sale of, and that portion of*
11 *the sales price with respect to the storage, use, or other*
12 *consumption in this state of, a qualified motor vehicle, that is equal*
13 *to the greater of the following:*

14 *(1) The sum of both of the following:*

15 *(A) The amount of any new Qualified Plug-in Electric Drive*
16 *Motor Vehicle credit received with respect to the qualified motor*
17 *vehicle under Section 30D of the Internal Revenue Code.*

18 *(B) The amount of any state incentive amount received, awarded,*
19 *or allowed with respect to the qualified motor vehicle under the*
20 *Clean Vehicle Rebate Project, the California Hybrid and*
21 *Zero-Emission Truck and Bus Voucher Incentive Project, or the*
22 *On-Road Heavy-Duty Voucher Incentive Program within the Carl*
23 *Moyer Program.*

24 *(2) The trade-in value of a motor vehicle that is traded in for*
25 *the qualified motor vehicle if the value of the trade-in motor vehicle*
26 *is separately stated on the new motor vehicle invoice or bill of sale*
27 *or similar document provided to the purchaser.*

28 *(b) For purposes of this section, “qualified motor vehicle”*
29 *means a motor vehicle that receives, or is awarded or allowed,*
30 *either or both of the following:*

31 *(1) A credit for a Qualified Plug-in Electric Drive Motor Vehicle*
32 *under Section 30D of the Internal Revenue Code.*

33 *(2) A state incentive amount under the Clean Vehicle Rebate*
34 *Project, the California Hybrid and Zero-Emission Truck and Bus*
35 *Voucher Incentive Project, or the On-Road Heavy-Duty Voucher*
36 *Incentive Program within the Carl Moyer Program.*

37 *(c) (1) Notwithstanding any provision of the Bradley-Burns*
38 *Uniform Local Sales and Use Tax law (Part 1.5 (commencing with*
39 *Section 7200)) or the Transactions and Use Tax Law (Part 1.6*
40 *(commencing with Section 7251)), the exemption established by*

1 *this section shall not apply with respect to any tax levied by a city,*
2 *county, city and county, or district pursuant to, or in accordance*
3 *with, either of those laws.*

4 ~~(b)~~

5 (2) Notwithstanding subdivision (a), the exemption established
6 by this section shall not apply with respect to any tax levied
7 pursuant to Section ~~6051.2 or 6201.2~~, 6051.2, 6051.5, 6201.2, or
8 6201.5, pursuant to Section 35 or subdivision (f) of Section 36 of
9 Article XIII of the California Constitution, or any tax levied
10 pursuant to Section 6051 or 6201 that is deposited in the State
11 Treasury to the credit of the Local Revenue Fund 2011 pursuant
12 to Section 6051.15 or 6201.15.

13 ~~(e)~~

14 (d) This section shall *become operative on January 1, 2016,*
15 *and shall remain in effect only until January 1, 2020, and as of*
16 *that date is repealed, unless a later enacted statute, that is enacted*
17 *before January 1, 2020, deletes or extends that date.*

18 ~~SEC. 2. Notwithstanding Section 2230 of the Revenue and~~
19 ~~Taxation Code, no appropriation is made by this act and the state~~
20 ~~shall not reimburse any local agency for any sales and use tax~~
21 ~~revenues lost by it under this act.~~

22 ~~SEC. 3.~~

23 SEC. 2. This act provides for a tax levy within the meaning
24 of Article IV of the Constitution and shall go into immediate effect.